



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter Of: David B. Lamb & Associates

File No.: B-260310

Date: February 13, 1995

DECISION

David B. Lamb & Associates protests the award of a contract by the Department of Housing & Urban Development under request for proposals No. H09S95036600000. Lamb contends that the awardee's price was so unreasonably low that the awardee cannot perform the contract.

The submission of a below cost offer is not a valid basis to object to a contract award. An offeror, in its business judgment, properly may decide to submit a price that is extremely low. Diamond Tool Inc., B-238877, Apr. 5, 1990, 90-1 CPD ¶ 375. An agency decision that the contractor can perform the contract at the offered price is an affirmative determination of responsibility which we will not review absent a showing of possible fraud or bad faith on the part of procurement officials, or that definitive responsibility criteria in the solicitation may have been misapplied. JWK Int'l Corp., B-237527, Feb. 21, 1990, 90-1 CPD ¶ 198. Neither exception applies here.

The protest is dismissed.

A handwritten signature in cursive script, reading "Ronald Berger".

Ronald Berger
Associate General Counsel